

2016, they provided 4.1%, in 2017 – 10.4%, in 2018 – 20.6% of FDI inflows to Ukraine. In 2019, round-tripping operations are estimated at \$ 1 billion USD, which is 34.1% of FDI inflows to Ukraine (fig.2) [4]. The largest volumes of round-tripping operations were routed through Cyprus, the Netherlands, Switzerland and Austria.

Conclusion. In summary, this paper found that during 2010-2019, the volume of FDI, where the ultimate controlling investor is a resident (round tripping) is estimated at 9.4 billion USD. This is approximately 22.8% of the inflow of FDI to Ukraine (41.3 billion USD) [4]. FDI round-trip transactions do not provide real economic benefit to either country or company. Moreover, it may have an effect for the Ukrainian economy, ranging from foregone tax revenues, distortions of the information and domestic competition, support of corruption, as well as possible welfare and efficiency losses.

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THE IMPACT OF GLOBALIZATION PROCESSES ON CROSS - CULTURAL COMMUNICATION BETWEEN COMPANIES

Introduction. In the global environment, the ability to communicate effectively can be a challenge. Even when both parties speak the same language, there can still

be misunderstandings due to ethic and cultural differences. Over the last decade, there have been countless examples from the business sector that demonstrate how

Review of recent publications. This issue has been scrutinized by a number of scientists, such as Hilton Gilbert [1], Gebert Daniel, Boerner Sabine, Kearney Elizabeth [3] and others. However, due to the continuous growth of globalization processes, it should be analysed more thoroughly in order to prevent future cross-cultural conflicts between companies.

Results of research. Communication is vital for businesses to effectively explain how their products and services differ from their competitors. Companies that are successfully able to communicate crossculturally have a competitive advantage because they can devote more time and resources to conducting business and less time on internal and external communication issues [1].

The purpose of communication is to transfer ideas and knowledge from one entity to the other. The first step in communication is input; someone must say something that is received by someone else. The communication loop is successful when the receiver demonstrates that he or she understands what was being communicated. From an organizational perspective, there are many barriers than can impede the flow of communication. These barriers include culture, technology, language, workforce, and environment.

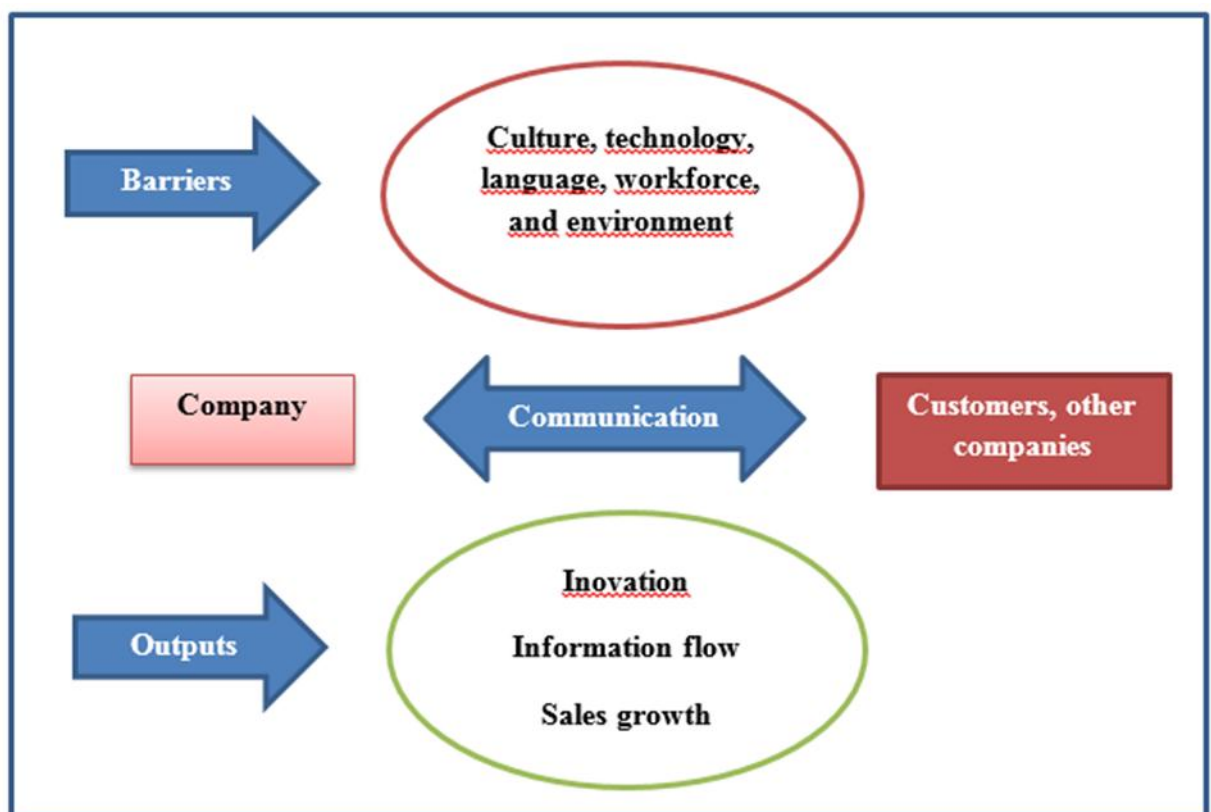


Fig. 1 The cross-cultural communication model

Source: created by the author

As Figure 1 shows, when these barriers are eliminated, companies are able to experience innovation, reduced conflict, and better dissemination of information.

Successful cross-cultural communication creates a dialogue, a continuous transfer of information. This exchange of information addresses our assumptions and clarifies points we do not understand. It also provides the opportunity for us to ask questions and confirm the information that was received. Having a dialogue reduces conflict because cultural misunderstandings can be dealt with when they arise. The dialogue only occurs when both parties agree to share information and ensure that the transfer of information is not blocked.

A good example to illustrate how companies can utilize the cross-culture communication model to improve business practices can be the international company Hyundai. Hyundai Motor Company was formed in 1967 and has established itself as company that focuses on quality improvement and innovation [3]. The company has now expanded to more than ten countries.

For this expansion to take place requires effective communication that is able to overcome cultural barriers and accomplish global management initiatives. “Hyundai Motor Company is strengthening its position as a global brand, establishing local production systems on a global scale and supplying automobiles that meet the needs and tastes of customers in each specific region” [3].

Conclusion. Thus, analyzing the results of our study, we can conclude that the successful regulation of cross-cultural communications and the introduction of effective technologies gives the company a significant chance to become successful in the global market. Modern globalization processes increase the importance of the formation of interethnic relations between companies every year.

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CALCULATION OF THE OPTIMAL VOLUME OF PRODUCTION AND MAXIMUM PROFIT OF THE ENTERPRISE BY MATHEMATICAL METHOD